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C O N F I D E N T I A L SANTIAGO 002269

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E.O. 12958: DECL: 10/26/2016 TAGS: <u>IO PGOV PREF UNGA CI</u>

SUBJECT: FOXLEY: CHILE NOT INTERESTED IN UNSC SEAT,

ABSTENTION POSITION VINDICATED

Classified By: DCM Emi Yamauchi for reasons 1.5 (b and d).

Summary

11. (C) Foreign Minister Foxley told visiting senior SFRC staffer Meacham Chile is not a candidate for the UNSC seat, said its decision to abstain had been proven correct by the ongoing stalemate between Guatemala and Venezuela, and that Chile would continue to play the role of "honest broker" in the search for a consensus candidate. He appreciated the Secretary's phone call seeking out his assessment of the UNSC

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situation and mentioned Panama, the Dominican Republic, and Uruguay as possible consensus candidates. Chile wants a quick resolution of the UNSC election as further delay will tarnish Latin America's image. Foxley noted that the UNSC issue had, initially, been a low priority matter for Chile, whose focus was on regional integration and Latin American-Asia commercial ties. But given the importance of the UNSC on key international issues, Chile sought to be helpful. The FM also touched on Chile's relations with Brazil, Peru, and Bolivia, observing that Brazil needed to do more to exercise regional leadership. He also discussed with Meacham the relative merits of executive-legislative relations in the U.S. and Chile. End summary.

12. (U) Foreign Minister Alejandro Foxley met in his office October 27 with senior SFRC staffer Carl Meacham. Foxley was joined by the MFA's U.S. desk officer. Meacham was accompanied by DCM, E/POL Counselor and PA.

Chile as Honest Broker

13. (C) Meacham observed that after several days in Chile he had come to a better appreciation of the internal political dynamic that had led the Bachelet administration to abstain on the UNSC vote. He congratulated the FonMin on his handling of a delicate situation. While Washington

observers, including Senator Lugar, had been perplexed that Chile had given consideration at all to voting for Venezuela,

in the end Chile's analysis that neither Guatemala nor Venezuela could carry the vote had proven astute. Guatemala remained a good candidate but Meacham understood Chile's position. But now Chile had to work for consensus. It is a regional leader, economically and politically, and must step up to that role. That was the message he intended to bring back to Washington, adding Chile and the U.S. would continue to work together.

- ¶4. (C) Foxley replied Chile lived within a democratic, open system of government and had to balance a diversity of views with a need for ordered decision-making. The several Concertacion coalition governments had always been able to reach consensus. But the matter of the UNSC vote had proven very difficult. Building consensus had taken time and President Bachelet had carefully considered distinct party positions as well as changing developments, "such as Chavez' declarations." She waited until the last moment so as to be able to take all factors into account. It was the best possible choice and, in the end, "We have been vindicated." It has not been possible to reach consensus in Latin America "between two blocs." And Chile is a small country that must have relations with all.
- 15. (C) The FonMin raised the Secretary's phone call to him earlier in the week. She had told him GRULAC must make a decision and the USG would not intervene in GRULAC's decision-making process. She also asked for his assessment of the situation and wondered what Chile was doing to help resolve the impasse. Foxley told her he appreciated the USG's willingness to step back and said Chile was "talking to everyone." He emphasized that Chile "is not a candidate." Foxley said that Chile would not be credible if it "on the one hand pushed for a consensus candidate and, on the other,

offered itself as that candidate." He mentioned as possible consensus candidates Panama, the Dominican Republic, and Uruguay. Bolivia's own candidacy, Foxley wryly observed, had likely been aborted by "Chavez' usual prudence and discretion.

- 16. (C) Foxley said he was in daily contact with Chile's UN Ambassador Heraldo Munoz, who reported the October 26 GRULAC meeting had "gone badly" and resolved nothing. Guatemala seemed willing to hold on to its candidacy at least into the Ibero-American Summit scheduled for November 3 in Montevideo, where it could presumably approach regional leaders. Foxley hoped that it wouldn't take that long. It is a dispute that doesn't help Latin America's image.
- 17. (C) Meacham disputed Foxley's (falsely modest) characterization of Chile as "small and irrelevant." Chile can play the role of honest broker. Regional players such as Brazil and Argentina look to Chile for leadership. While Chile cannot fill the entire void, it can "grease the wheels." Foxley agreed, adding "That's why we can't be seen to be taking sides. We have 'soft power.'" Chile understands that it is envied by some countries, but these countries also listen for Chile's views. In the words of Brazilian FonMin Amorian, "Chile's conceptual power far outstrips its politcal and economic power."

## Regional Relations

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18. (C) Foxley animatedly turned to the just concluded "2 plus 2" talks between Chile and Peru's Foreign and Defense ministers (reftel). He noted that Peru had brought along "nearly half of its cabinet," for talks he characterized as "very good." Agreements had been reached on social, economic, and defense matters. Given the often tense relations between the two neighbors, these successful negotiations set a good example for the rest of Latin America. Chile's relations with Bolivia were also improving. Foxley said he had met the previous day with a Brazilan business delegation to discuss Asia-Latin American commercial integration. The way to unify Latin America is through

commerce, especially by reaching out to the Pacific. Chile, a country of 15 million, now had trade agreements with countries and markets totaling over 3.8 billion people. Business had to take the lead, with markets open to all.

- 19. (C) Returning briefly to the UNSC election, Foxley said the issue had intially been "far down" on Chile's foreign policy agenda, with its focus instead on regional integration and Asia-Pacific commercial ties. But when it became clear that the election had "global implications" Chile had decided to do what it could to help. For this, he added, "I was deeply criticized by some in Concertacion who insisted on a vote for Venezuela."
- 110. (C) Foxley noted the polls showing Lula winning second round elections in Brazil handily, but said Lula would be weakened by Cardozo's relatively strong showing and would have to reach out to him. Nonetheless, he stressed that Brazil must take a more assertive leadership in the region.

Executive-Legislative Relations

11.(C) Meacham and Foxley also discussed briefly the relative merits of the U.S. and Chilean systems of government.

Meacham noted that Chile's "very strong executive power" diminished the role of "checks and balances," which characterized U.S. executive-legislative branch relations. He also observed that Chile's legislators lacked the "thirty or so" legislative assistants that U.S. congressmen and senators have to help them shape legislation. Foxley, a former senator himself, laughed and said "Thirty? I wish I had had three!" Foxley agreed on the relative role of

governing institutions in the two countries. He noted for example, that the executive branch controls the budget process in Chile. The parliamant cannot raise the funding levels proposed by La Moneda, only lower them. As a result, he said, Chile has only had budget surpluses and no tradition of "pork barrel" projects. On the less positive side, Chile's electoral system needs reform to end the practice of minority parties being over-represented.

Comment

112. (C) Foxley's categoric rejection of a Chilean candidacy for the UNSC is at odds with what we have been hearing from others, who suggest that Chile is on standby and will serve if asked. Moreover, we understand Ambassador Munoz has been far less categoric, reflecting his relative independence of the Foreign Ministry or his own agenda. What is clear is that Chile will maintain its abstention, as it seeks to play out its role as "honest broker." End comment.

113. (U) Mr. Meacham has cleared this message.